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With the Under Secretary for IP

Q. Todd Dickinson

*Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office*

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Welcome to the April edition of USPTO Today, our first edition as a performance-based organization (PBO). Pursuant to the American Inventors Protection Act of 1999 (P.L. 106-113), we became a PBO on March 29, 2000.

Two hundred and ten years ago this month, our nation's intellectual property system was born when President Washington signed into law the first patent statute. Shortly thereafter, Thomas Jefferson became the first head of our office's original incarnation—the Patent Board.

Now, more than six million patents and over two million trademarks later, we make history yet again by moving to the forefront of reinventing government, becoming the largest — and only the second — performance-based organization in the federal government.

And who better to lead the way in government reinvention, than the agency devoted to invention?

The autonomy and flexibility we have as a PBO will enable us to enhance customer service, while also improving the quality of work-life for our employees. It will free us from “one-size-fits-all” regulations and other outmoded processes that get in the way of doing our job — and give government a bad name.

In other words, we're moving from red tape to results.

It's an important milestone in our agency's history. In fact, a hundred years from now, people undoubtedly will look back on this time as one of the most momentous periods in the history of the USPTO.

Not only are we moving to the forefront of reinventing government, we're also implementing the most sweeping changes in patent law in half a century, handling record levels of patent and trademark filings, implementing state-of-the-art technology to allow customers to secure our products and services over the Internet. We also have overcome a major hurdle in our move to modern, consolidated offices in Alexandria.

So, the future promises to be an exhilarating time, and we look forward to working with our customers as we embark on this exciting new journey.

Day One: March 29, 2000 USPTO Becomes Performance-Based Organization

by Richard Maulsby, Office of Public Affairs

April 3 dawned dark and threatening in the Washington, DC area. But over 2,000 United States Patent and Trademark Office employees and invited guests gathered in front of the agency's main headquarters building in Arlington, Virginia to celebrate the transformation of the USPTO into a performance-based organization (PBO). In a hopeful sign of good times to come the rain held off and Q. Todd Dickinson, under secretary of Commerce for intellectual property and director of the United States Patent and Trademark Office presided over a 30 minute program. Congressman Howard Coble, Chairman of the USPTO's oversight committee joined Robert Mallett, deputy secretary of Commerce, and Morley Winograd, senior advisor to Vice President Al Gore, and offered comments and praise to mark the historic occasion. Deputy Secretary Mallett swore in Under Secretary Dickinson

Morley Winograd, senior advisor to the vice president, addresses USPTO employees and invited guests.



and the new commissioner for patents, Nicholas Godici, and Anne Chasser as commissioner for trademarks.

In remarks prepared for the ceremony, Under Secretary Dickinson announced a number of changes in policies and procedures and promised more to come in the

future. Immediate steps include the elimination of sign-in sheets for all employees and an extension of flextime policies. Vowing that there is more to come, Director Dickinson promised employees a culture change. "As a PBO, we're going to strive to give you the freedom to challenge the status quo of our culture. We're going to encourage you to be creative, to take initiative—to take risks and suggest things that should be changed."

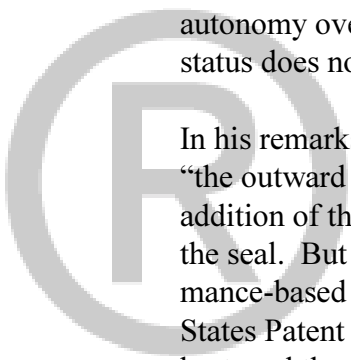


Vice President Gore and the National Partnership for Reinventing Government created the PBO concept in March 1996. The United States Patent and Trademark Office is now the second federal agency to become a PBO, following the Education Department's Office of Student Financial Assistance. As a PBO, the USPTO will become a results-driven organization committed to accountability by having clear objectives, specific measurable goals, customer service standards, and targets for improved performance. All of these factors will be included in the contracts of the two operational heads of the agency, the commissioner for patents and the commissioner for trademarks, each of whom will have a five-year contract.



PBO [peach, banana, orange] cake

In exchange for its commitment to accountability as a PBO, the USPTO has been granted new managerial flexibility that will enable it to operate more like a business. This includes greater



autonomy over the budget, hiring, and procurement. The PBO status does not resolve the fee retention issue, however.

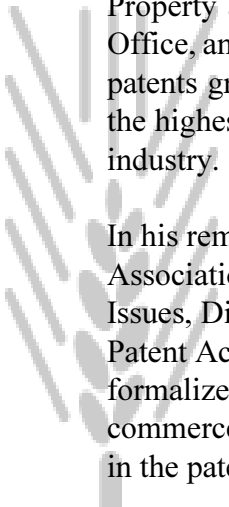
In his remarks on April 3, Under Secretary Dickinson noted that, “the outward visible signs of change are small today—the simple addition of the words “United States” to the official name and to the seal. But that change symbolizes the very heart of a performance-based organization—putting the customer first. The United States Patent and Trademark Office’s customers deserve the very best, and the organization will deliver.




Under Secretary Dickinson Initiates Action Plan for Business Method Patents

by Richard Maulsby, Office of Public Affairs

Q Todd Dickinson, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, announced on March 29, 2000, a new initiative to ensure that patents granted for software-implemented business methods are of the highest quality and benefit to the growing electronic commerce industry.

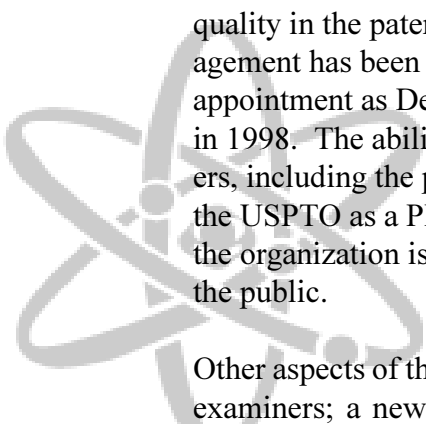


In his remarks to the San Francisco Intellectual Property Law Association Conference on Electronic Commerce and Internet Issues, Dickinson revealed the details of a new Business Method Patent Action Plan. Among the highlights of this action plan are to formalize a customer partnership relationship with the software, e-commerce, and Internet industry and enhance quality management in the patent application process.



E-commerce related patent applications have doubled between 1998 and 1999. The issue of patentability of such software patents, while a continuing matter of public discussion in some quarters, is firmly established legally. “The patentability of software has continued to be upheld,” Dickinson said, “therefore the role of the USPTO is to ensure that the patents issued are of the highest quality, and that means doing the best job that we can.”

E-commerce is an extremely important component of today’s booming technology-driven economy, and the need to ensure



quality in the patent process has never been higher. Quality management has been the Under Secretary's top priority since his appointment as Deputy Commissioner of Patents and Trademarks in 1998. The ability to be responsive to the organization's customers, including the public, is the paramount rationale for recasting the USPTO as a PBO. On the issue of business method patents, the organization is responding to the concerns of its customers and the public.

Other aspects of the Action Plan include enhanced training of patent examiners; a new second-level review of all Class 705 (business method patents) applications; and the convening of a roundtable forum with stakeholders on the issues surrounding this technology area.



BUSINESS METHOD PATENT INITIATIVE: AN ACTION PLAN

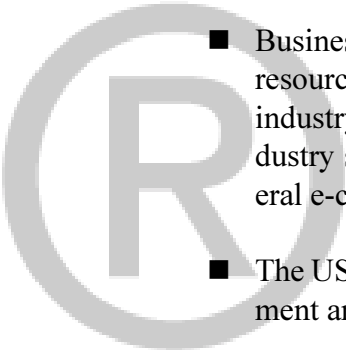
INDUSTRY OUTREACH

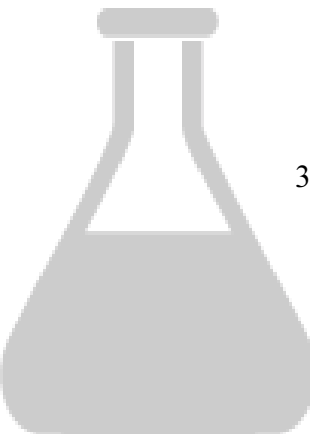
1. Customer Partnership: Establish a formal customer partnership with the software, Internet, and electronic commerce industry similar to that in place with the biotechnology industry. The partnership will meet quarterly to discuss mutual concerns, share USPTO plans and operational efforts in this technology area, and discuss solutions to common problems.
2. Roundtable Forum: The USPTO will convene a roundtable forum with stakeholders in summer 2000 to discuss issues and possible solutions surrounding business method patents. [For further information on the roundtable, contact Gerald Goldberg at 703/305-9700.]
3. Industry Feedback: A greater effort will be made to obtain industry feedback on prior art resources used by the USPTO, solicit input on other databases and information collections and sources, and expand prior art collections.



QUALITY

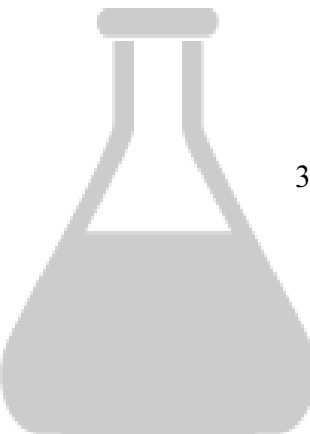
1. Enhance Technical Training:
 - Enhance technical currency for examiners and continue current training efforts/partnerships with industry associations and various individual corporate sponsors.

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- Business practice specialists will be pursued to serve as a resource for examiners on alleged common or well known industry practices, terminology scope and meaning, and industry standards in four basic areas: banking/finance, general e-commerce, insurance, and Internet infrastructure.
 - The USPTO will publish the areas of training needs for comment and offers to provide such training.

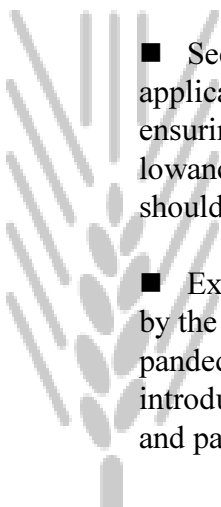


2. Revise Examination Guidelines: The Examination Guidelines for Computer-Related Inventions and the relevant training examples will be revised in light of the *State Street Bank and AT&T v. Excel* decisions.

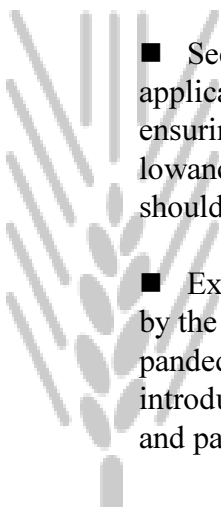
3. Expand Current Search Activities:



- **Mandatory Search**: A mandatory search for all applications in Class 705 to include a classified U.S. patent document search, and a text search of U.S. patent documents, foreign patent documents, and non-patent literature (NPL), with NPL searches to include required search areas mapped/correlated to U.S. classification system for Class 705, which will provide a more fully developed prior art record;



- **Second Review**: A new second-level review of all allowed applications in Class 705 will be required, with an eye toward ensuring compliance with search requirements, reasons for allowance, and a determination whether the scope of the claims should be reconsidered; and



- **Expand Sampling Size**: The sampling size for quality review by the Office of Patent Quality Review will be substantially expanded, and a new in-process review of Office actions will be introduced with an emphasis on the field of search of the prior art and patentability determinations under 102/103.



Did you know....

On April 10, 1790, President George Washington signed into law the first patent bill.



Interview With Dr. Kamil E. Idris Director-General World Intellectual Property Organization

by Ruth Ann Nyblod, Office of Public Affairs



The WIPO is an intergovernmental organization headquartered in Geneva, Switzerland, and is one of 16 specialized agencies of the United Nations. It is responsible for promoting the protection of intellectual property world wide and for administering various multilateral treaties dealing with the legal and administrative aspects of intellectual property.

While Dr. Idris was in Washington, D.C. recently, I asked the Director General to share his perspective on the challenges and opportunities the Word Intellectual Property Organization faces today.

Thank you for sharing your time with USPTO TODAY readers.

Q. *While it's always nice to have you visit the United States, what is the purpose of your trip at this time?*

A. It is always a great pleasure for me to visit the United States of America. I was honored to have been invited to have lunch and engage in further discussions with Commissioner Todd Dickinson and his team today, while visiting Washington, D.C., to conduct a meeting of the task force of the Policy Advisory Commission. The task force meets tomorrow to discuss the future activities of the Policy Advisory Commission. This evening I will attend a reception in the U.S. Capitol Building being held in honor of the Chairman of the Policy Advisory Commission, His Royal Highness, Prince El-Hassan Bin Talal of the Hashemite Kingdom of Jordan and myself. The Honorable Orrin Hatch, Chairman of the Senate Judiciary Committee, extended the invitation on behalf of the U.S. Committee for the World Intellectual Property Organization, a nonprofit organization formed by Mr. Lehman that is dedicated to supporting WIPO in advancing its mission and height-

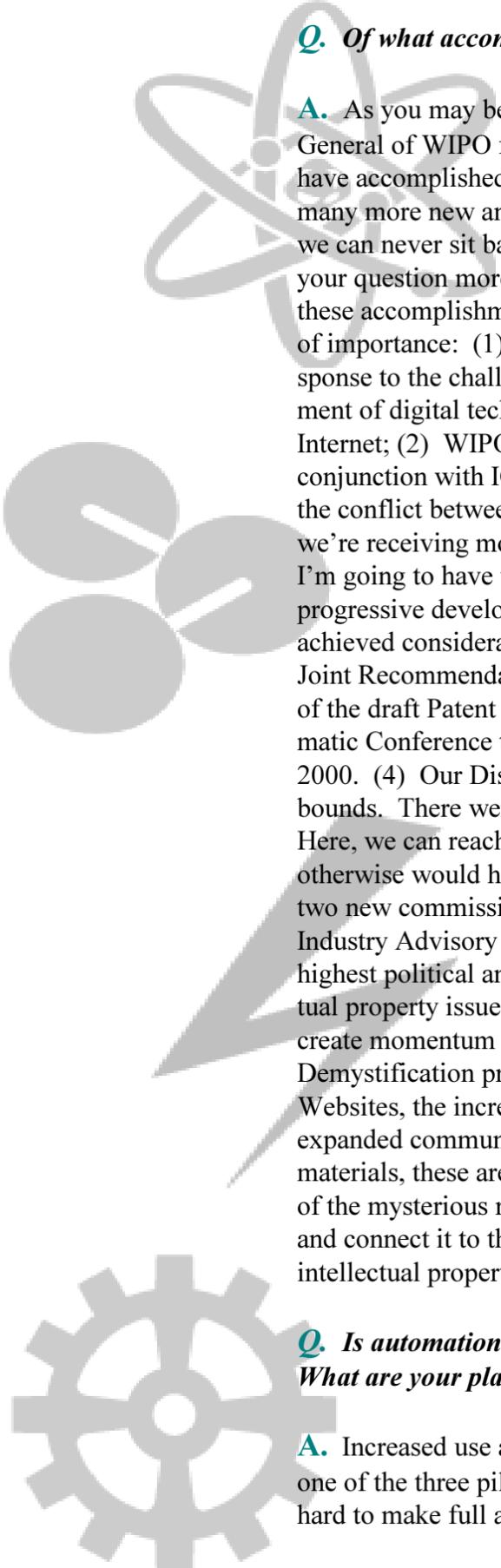
ening awareness of WIPO's role in the United States.

Q. What are your major goals for global understanding of the value and importance of intellectual property?

A. My goal is the demystification of the role and value of intellectual property in all relevant constituencies worldwide. WIPO has undertaken a very in-depth, structured plan, - we call it the "demystification" process- to raise the awareness of the inherent value of intellectual property in all of our various and diverse constituencies, and most importantly, with high-level government officials and policy makers in each of our 173 Member States, as well as with the other IGO's [international government organizations], NGO's [nongovernment organizations], and with the public and consumers worldwide. Every dynamic, growing and expanding economy has and maintains a strong intellectual property system and supporting infrastructure, resulting in expanded economic growth, and measurable cultural and social development. The synergism between increased investment and R&D activities, expanded product and service availability, and knowledge-based businesses, particularly in the small and medium enterprises, on the one hand, and strong, efficient intellectual property protection, on the other hand, is beyond questioning, and it is WIPO's goal to actualize the intellectual property-based realities with all of the constituencies that I mentioned. In my opinion, we are moving ahead, but there is much work to be done.

Q. What will be the most difficult to bring to fruition?

A. The capacity building for the protection of intellectual property, including the institutional framework and human resources required for a strong intellectual property system are the most difficult tasks in developing countries, as it will need a long-lasting and strong political and public support. On the other hand, in countries which have established their intellectual property infrastructure, to harmonize and update their systems to catch up with the rapidly changing global economy is difficult. All rightholders can seek and receive the same high level of protection, and at the same time, all of the new products and services, and information and communications technologies, almost all of which are based on intellectual property rights, will be easily available to all consumers and members of the public in all countries; this will be the most difficult to bring to fruition. But I am confident in the abilities and the commitment of the men and women who work at WIPO, and I am certain that our many and varied activities aimed at achieving this goal will be successful.

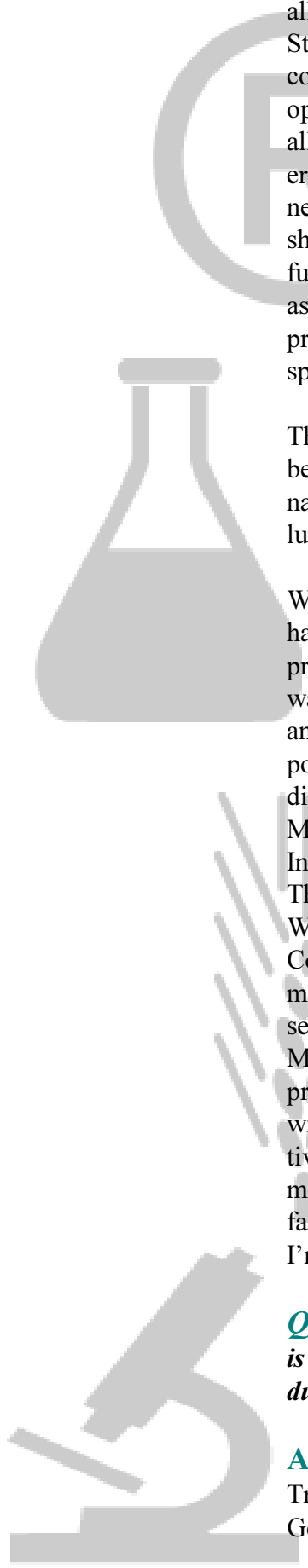


Q. Of what accomplishments are you most proud?

A. As you may be aware, I have been on the job as the Director General of WIPO for a little more than two years. In that time, we have accomplished a lot, but at the same time, we have created many more new and extremely challenging goals, so that in reality, we can never sit back and rest on our laurels. However, to answer your question more directly, I would say that we are very proud of these accomplishments, which, incidentally, are in no certain order of importance: (1) WIPO's Digital Agenda is an important response to the challenges and obstacles posed by the rapid development of digital technology and communications, particularly the Internet; (2) WIPO's Alternative Dispute Resolution operation, in conjunction with ICANN, is helping to resolve disputes involving the conflict between Domain Names and Trademarks; everyday, we're receiving more cases for on-line resolution, so much so that I'm going to have to expand that department considerably; (3) The progressive development of intellectual property at WIPO have achieved considerable results in the recent past, in particular the Joint Recommendation on Well-Known Marks and the finalization of the draft Patent Law Treaty, which will be discussed at a Diplomatic Conference to be held in Geneva from May 11 to June 2, 2000. (4) Our Distance Learning program is growing by leaps and bounds. There were over 700 subscribers in the first three months. Here, we can reach out exponentially and help to teach people who otherwise would have no way to come to Geneva. (5) WIPO's two new commissions, the Political Advisory Commission and the Industry Advisory Commission, each contain members from the highest political and industry levels, and are dealing with intellectual property issues in novel, and high-visibility ways which will create momentum and expansion of our work. And (6) Our Demystification program is moving along very well. Our WIPO Websites, the increase in high-level visits of state, our greatly expanded communications and public diplomacy activities and materials, these are all serving well to take intellectual property out of the mysterious realm in which it has lingered for far too long, and connect it to the unlimited benefits available in the new, intellectual property-based economy.

Q. Is automation within WIPO progressing as you had hoped? What are your plans for improvements?

A. Increased use and deployment of information technology is one of the three pillars of my administration. We are working very hard to make full automation a reality for not only WIPO, but for



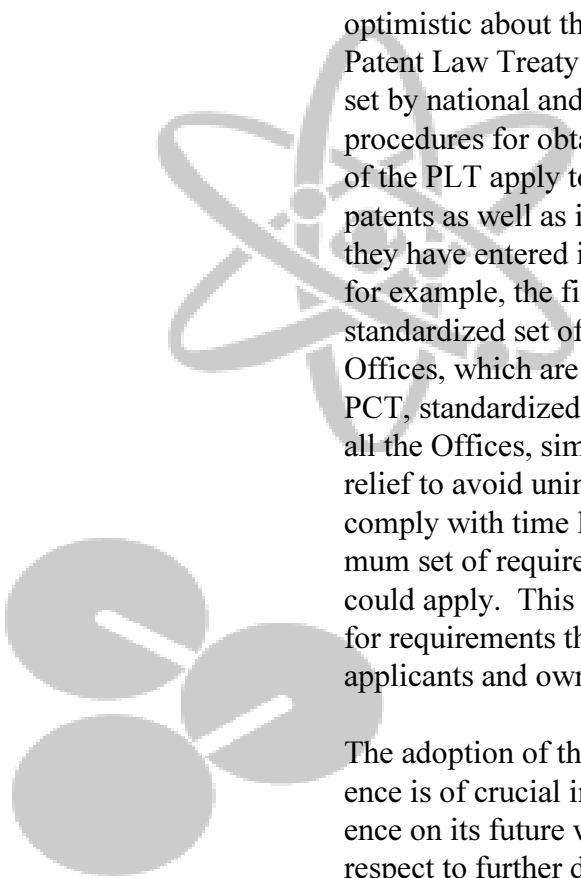
all of the intellectual property offices in all of our 173 Member States. In our PCT operations, our IMPACT project is finalizing contracts for suppliers to fully automate every facet of the PCT operation within the International Bureau of WIPO. Our Nationally Focused Action Plans, for the countries involved in our Cooperation for Development program, contain an automation component for their respect IP offices. And our WIPOnet project will shortly select our contractor to create the WIPO global network for fully sharing all available IP resources, digital libraries, databases, as well as the latest services and products connected to intellectual property. Yes, we are moving forward on this front with good speed.

The Internet has been a wonderful tool for business, but it has not been without problems, especially where trademarks and domain names converge. How will the new Domain Name Dispute Resolution Service work to help protect intellectual property owners?

WIPO's work and recommendations in the Domain Name Process have resulted in the adoption of an Alternative Dispute Resolution process, completely on-line, expedited and quite efficient. WIPO was named by ICANN as one of the three providers of this service, and the WIPO Arbitration and Mediation Center is apparently quite popular, in that 108 cases have already been filed with us for dispute resolution. May I just say that this is a difficult area. Marks are national in the scope of their protection, whereas the Internet and its Domain Names are global and borderless in nature. There is a natural, although resolvable conflict between the two. WIPO, through our ADR activities and the work of the Standing Committee on the Law of Trademarks (SCT) is making and will make a big difference. We are looking at ways of expanding the services, as well as the scope of activities, of the Arbitration and Mediation Center. Moreover, in addition to domain names specific problems, Member States of WIPO are more widely addressing, within the SCT, the issue of protection of marks and others distinctive signs on the Internet such as coexistence of legitimate trademarks rights, unauthorized use of marks in keywords and metatags, factors for determining applicable law and competent jurisdiction. I'm sure you'll be hearing about developments there soon.

Q. A diplomatic conference on the proposed Patent Law Treaty is coming up this spring. What do you hope will be accomplished during the meeting?

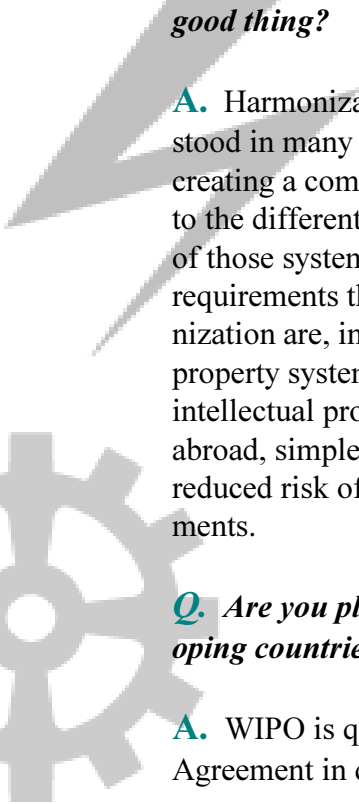
A. A Diplomatic Conference for the Adoption of the Patent Law Treaty will be organized by WIPO from May 11 to June 2, 2000, in Geneva. After several years of intense negotiations, we are very



optimistic about the chances for success in this endeavor. The Patent Law Treaty is designed to harmonize formal requirements set by national and regional patent Offices and to streamline the procedures for obtaining and maintaining a patent. The provisions of the PLT apply to national and regional patent applications and patents as well as international applications under the PCT once they have entered into the “national phase.” The Treaty provides, for example, the filing date requirements, a single internationally standardized set of formal requirements for national and regional Offices, which are in line with the formal requirements under the PCT, standardized Forms and Formats which shall be accepted by all the Offices, simplified procedures before the patent Office and relief to avoid unintentional loss of rights as a result of failure to comply with time limits. In principle, the PLT provides a maximum set of requirements that the Office of a Contracting Party could apply. This means that a Contracting Party is free to provide for requirements that are more generous from the viewpoint of applicants and owners.

The adoption of the Patent Law Treaty by the Diplomatic Conference is of crucial importance to WIPO, since it will have an influence on its future work in the area of patent law, as well as with respect to further developments of the Patent Cooperation Treaty.

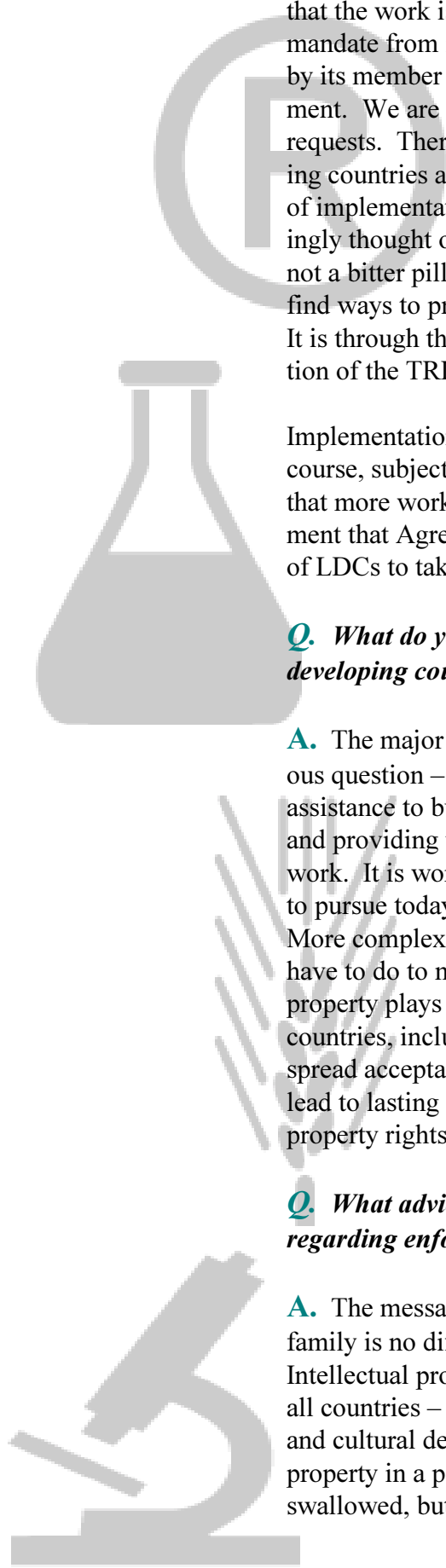
Q. “Harmonization” is an ugly word to some of our readers. What would you say to them to ease their fears and to convince them that global harmonization of intellectual property laws is a good thing?



A. Harmonization, like globalization, can be defined and understood in many different ways. We think of harmonization as creating a common set of requirements which would be applicable to the different existing intellectual property systems, so that users of those systems could rely on a common and familiar standard of requirements throughout the world. Further advantages of harmonization are, in particular, an easier access to foreign intellectual property systems, enhanced legal certainty for users seeking intellectual property protection in their home country as well as abroad, simpler procedures and therefore cost reductions, and a reduced risk of loss of rights for failure to comply with requirements.

Q. Are you pleased with the implementation of TRIPs in developing countries? How will implementation differ in the LDCs?

A. WIPO is quite pleased with implementation of the TRIPs Agreement in developing countries. That is not to say, however,



that the work is done in all countries. WIPO has a continuing mandate from its member states to provide the assistance requested by its member states to help them implement the TRIPS Agreement. We are ready, willing, and able to respond to all such requests. There has been a clear evolution of thinking in developing countries about intellectual property – including in the context of implementation of the TRIPS Agreement. It is being increasingly thought of as a tool for economic and cultural development, not a bitter pill to swallow. We urge all of our member states to find ways to promote intellectual property protection in this spirit. It is through this spirit, I believe, that full and lasting implementation of the TRIPS Agreement can be quickly achieved.

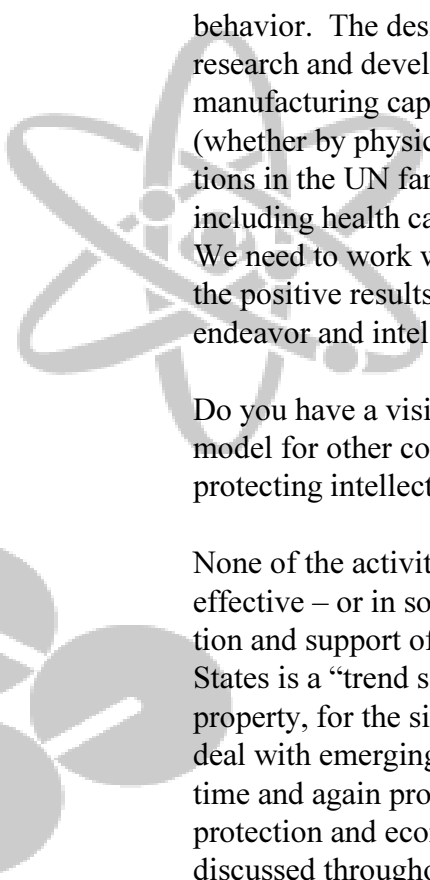
Implementation of the TRIPS Agreement in the LDCs is, of course, subject to longer transition periods. This reflects the fact that more work in infrastructure building has to be done to implement that Agreement. We have given particular focus to the needs of LDCs to take into consideration this difference.

Q. What do you think are the major issues or problems facing developing countries in enforcing intellectual property rights?

A. The major issue – which I alluded to in response to the previous question – is one of perception. Drafting laws, providing assistance to build intellectual property administration systems, and providing training to officials at the national office is hard work. It is work that WIPO has pursued for decades and continues to pursue today – including in respect of the TRIPS Agreement. More complex, more nuanced, however, is the work that we all have to do to make clear the very positive role that intellectual property plays in the economic and cultural development of all countries, including developing countries. Stronger, more widespread acceptance of intellectual property protection will inevitably lead to lasting and far more effective enforcement of intellectual property rights.

Q. What advice would you give to other UN organizations regarding enforcement of intellectual property rights?

A. The message we deliver to our sister organizations in the UN family is no different than that we deliver to our member states. Intellectual property is an important policy tool that can be used by all countries – developed and developing – to meet their economic and cultural development needs. We should all look at intellectual property in a positive sense. Again, it is not a bitter pill to be swallowed, but a tool that can and should be used to induce desired



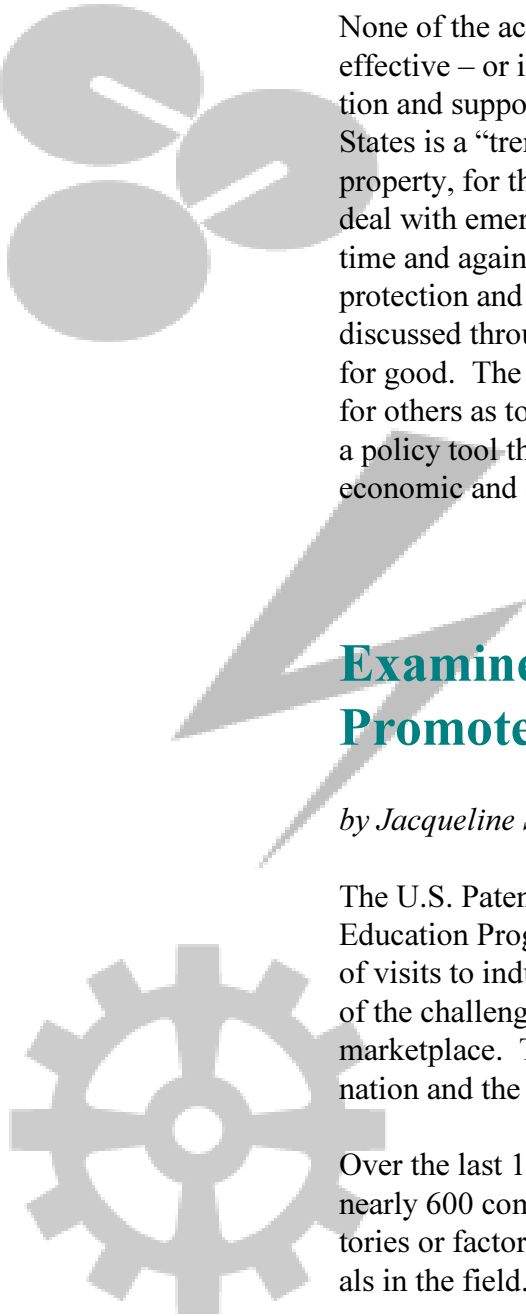
behavior. The desired behavior I referred to runs the gamut from research and development activities, to building local production or manufacturing capabilities, to the distribution of consumer goods (whether by physical or electronic means). Our sister organizations in the UN family deal with a broad range of subject matter, including health care, agriculture, trade, development, and labor. We need to work with them to ensure that the connection between the positive results they are trying to achieve in all of their areas of endeavor and intellectual property is clear.

Do you have a vision of what the United States' role should be as a model for other countries in developing high technology and protecting intellectual property?

None of the activities I have spoken about today could be as effective – or in some cases succeed – without the active participation and support of the United States of America. The United States is a “trend setter” in many areas, including intellectual property, for the simple reason that you often are called upon to deal with emerging issues first. Moreover, the United States has time and again proven the link between strong intellectual property protection and economic and cultural development. As I have discussed throughout this interview, intellectual property is a force for good. The United States does and should serve as a role model for others as to how intellectual property can be a force for good – a policy tool that can be used by all countries to achieve their economic and cultural goals.

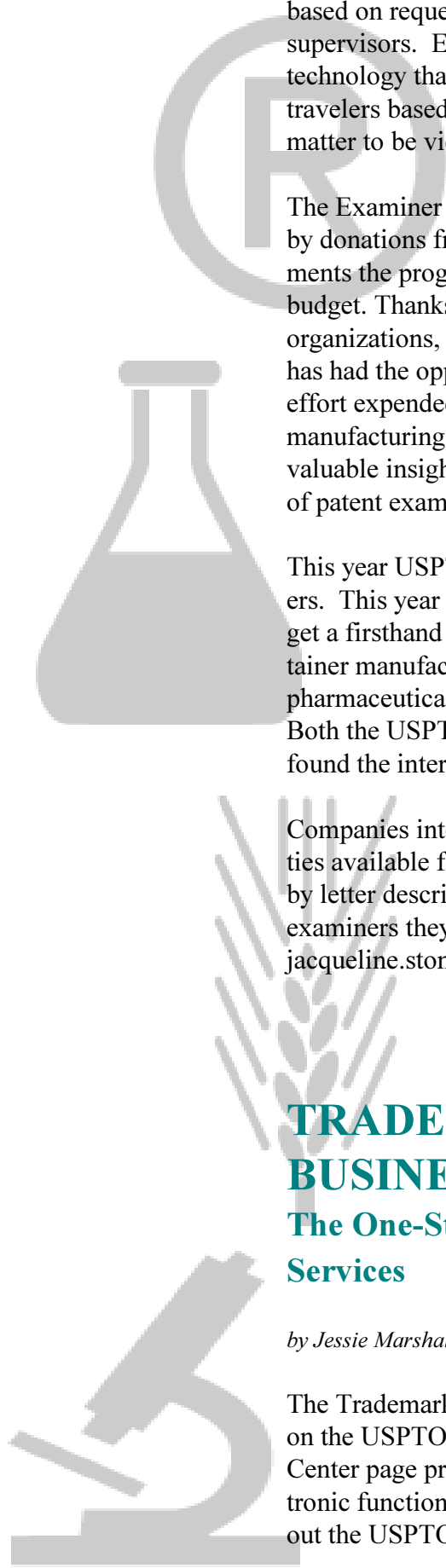
Examiner Education Program Promotes Patent Quality

by Jacqueline Stone, Office of the Commissioner for Patents



The U.S. Patent and Trademark Office launched the Examiner Education Program in 1982 to provide patent examiners--by way of visits to industry--a broader perspective and greater awareness of the challenges industry faces in creating new innovations for the marketplace. This raised awareness increases the quality of examination and the issuance of quality patents.

Over the last 10 years, over 1,200 patent professionals have visited nearly 600 companies. These site visits included tours of laboratories or factories, presentations, and discussions with professionals in the field. The USPTO chooses sites for examiners' visits



based on requests from industry or from examiners and their supervisors. Each technology center plans site visits around the technology that is related to its area of examination and selects travelers based upon the degree of correlation between the subject matter to be viewed and the examiner's assigned art.

The Examiner Education Program was originally funded entirely by donations from outside the USPTO. Today, the USPTO supplements the program with funds from the patent organization's budget. Thanks to the contributions of corporate supporters, bar organizations, and individuals, USPTO's patent professional staff has had the opportunity to gain an increased appreciation for the effort expended by its customers. Site visits to research and manufacturing facilities have provided these examiners with valuable insights that enhance their skills and promote the quality of patent examination.

This year USPTO has expanded the program for up to 118 examiners. This year so far, 40 examiners have visited 22 companies to get a firsthand look at technologies such as new bicycle and container manufacturing processes, the latest advances in genetics and pharmaceuticals, and exciting developments in optical technology. Both the USPTO professionals and their corporate hosts have found the interaction to be a rewarding one.

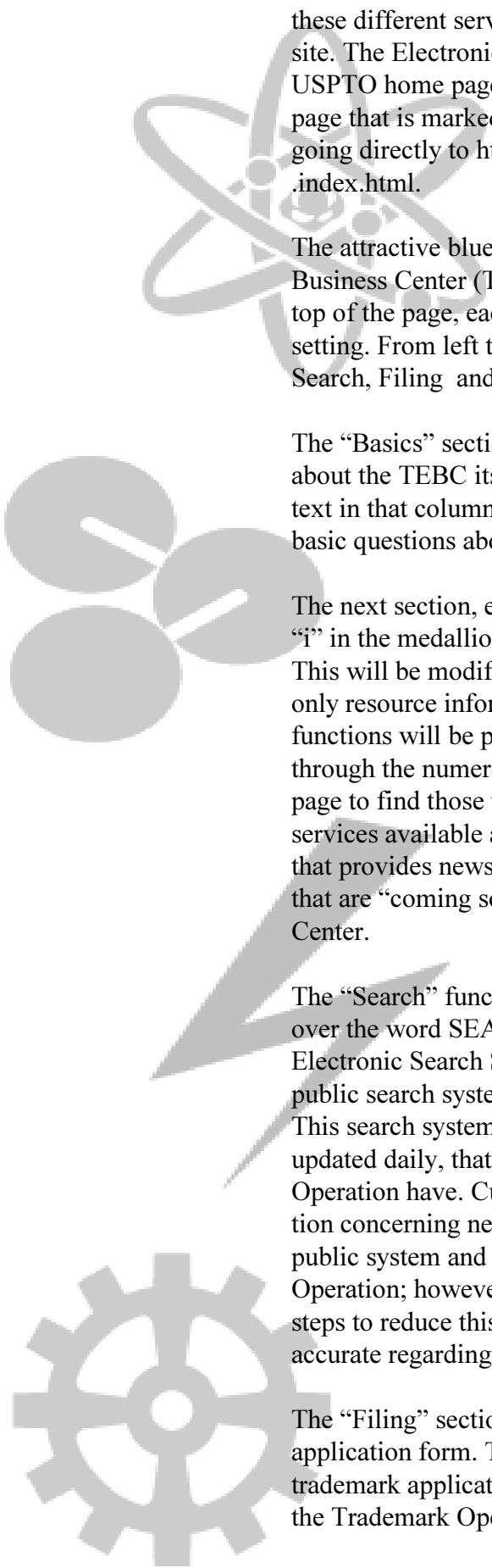
Companies interested in making their commercial industrial facilities available for examiner education visits may advise the USPTO by letter describing the nature of the facilities and the number of examiners they are willing to accommodate, or send an e-mail to jacqueline.stone@uspto.gov.

TRADEMARK ELECTRONIC BUSINESS CENTER...

The One-Stop Shop for Trademark Electronic Services

by Jessie Marshall, Office of the Commissioner for Trademarks

The Trademark Operation unveiled its Electronic Business Center on the USPTO Web site this past March. The Electronic Business Center page provides a single source for links to all of the electronic functions relating to Trademarks that are available throughout the USPTO site. Customers will no longer have to look for



these different services at various locations throughout the USPTO site. The Electronic Business Center may be accessed from the USPTO home page by clicking on the button on the left side of the page that is marked “Trademark Electronic Business Center” or by going directly to <http://www.uspto.gov/web/menu/tmebc/index.html>.

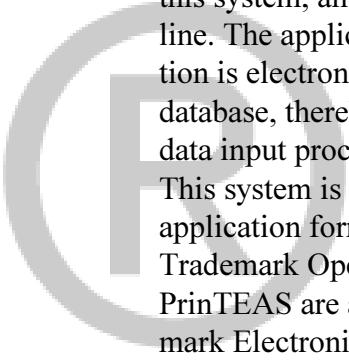
The attractive blue-toned home page for the Trademark Electronic Business Center (TEBC) sets out the major subject areas across the top of the page, each noted with a unique icon in a medallion setting. From left to right, the categories are Basics, TM Info, Search, Filing and Status.

The “Basics” section, noted by an asterisk, links to information about the TEBC itself. By clicking on the icon or the underlined text in that column, the user is taken to a page that answers some basic questions about what the TEBC is and who it is for.

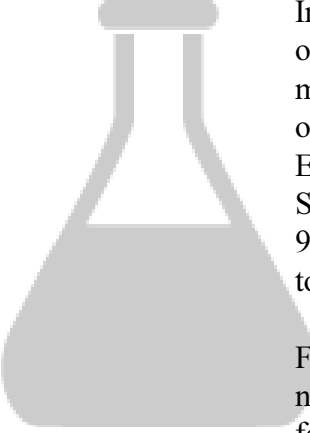
The next section, entitled “TM Info” and noted by an iconographic “i” in the medallion, links to the main trademark information page. This will be modified in the future to take the user to a page where only resource information needed to perform the various electronic functions will be presented. In that way, users will not have to sort through the numerous documents available at the main information page to find those that are particularly relevant to the electronic services available at the site. This section also has a link to a page that provides news and information about products and services that are “coming soon” to the Trademark Electronic Business Center.

The “Search” function is identified by a magnifying glass poised over the word SEARCH. Clicking on the icon or the Trademark Electronic Search System (TESS) text connects the user to the new public search system that was implemented this past February. This search system provides users with the same information, updated daily, that the examining attorneys in the Trademark Operation have. Currently, it takes about two months for information concerning newly filed applications to be entered into both the public system and the system used internally in the Trademark Operation; however, the Trademark Operation is taking significant steps to reduce this time period and make all of its records more accurate regarding real time activity.

The “Filing” section is represented by an icon of a trademark application form. This section provides three choices for filing trademark applications and other forms. The first, and the method the Trademark Operation encourages, is the e-TEAS system. Using

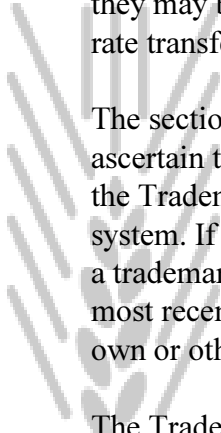


this system, an applicant can fill out and submit an application online. The application is received instantaneously and the information is electronically transferred into the Trademark Operation database, thereby eliminating the possibility of human error in the data input process. The user may also access the PrinTEAS system. This system is similar to e-TEAS, except the user prints out the application form at the end of the process and mails it into the Trademark Operation using regular “snail” mail. Both e-TEAS and PrinTEAS are accessed by clicking on the underlined text “Trademark Electronic Application System.”



In April of this year, the USPTO will also make available nearly all of the forms required for applying, renewing, perfecting, and maintaining trademarks electronically. These include: Allegation of Use (Statement of Use/Amendment to Allege Use); Request for Extension of Time to File Statement of Use; Section 8 Declaration; Section 15 Declaration; Combined Section 8 Declaration/Section 9 Renewal; Combined Sections 8 & 15 Declarations; and Requests to Divide.

Finally, a user may also access a database of all available forms needed to perform activities in the Trademark Operation in .pdf format. These forms may be printed out, filled in and mailed to the USPTO. The forms are presented in a scannable format so that they may be scanned when received, thereby facilitating the accurate transfer of data from the forms into the USPTO databases.



The section represented by a question mark allows the user to ascertain the status of a trademark application or registration using the Trademark Application and Registration Retrieval (TARR) system. If users know the serial number or registration number for a trademark file (obtainable using TESS), they can find out the most recent activity in the Trademark Operation concerning their own or others’ applications or registrations.

The Trademark Operation strongly encourages its customers to take full advantage of the TEBC, using it and the services presented there for efficient and effective dealings with the USPTO on trademark matters.



Recent Improvements at USPTO Receive National Recognition

by Jacqueline Dees, Office of Quality Management

National Performance Review Survey

The National Performance Review (NPR) recently released the findings of its second annual government-wide employee survey which revealed that significant improvements were made at the United States Patent and Trademark Office in 1999. The survey, jointly sponsored by NPR and the Office of Personnel Management, was issued to a random sample of 32,265 employees from 46 government agencies and received a 40 percent response rate.

The survey results were welcome news at the USPTO, which is now a performance-based organization (PBO). The USPTO recognizes the strong link between employee satisfaction and customer satisfaction. Thus, the survey data will be used to

- (1) provide valuable feedback on many current initiatives, some of which are especially targeted toward improving employee and customer satisfaction, and
- (2) supply information for developing additional improvement strategies.

The agency has focused aggressively on improving employee satisfaction and customer service during the 1990s as indicated by the survey results. USPTO is **number one** in the federal government in several survey areas. These areas (together with their percent favorable response rates) are:

- Service goals aimed at meeting customer expectations (90 percent);
- Employees receive training in customer service (61 percent - Increased 29 percent from 1998);
- Recognition and rewards based on merit (53 percent); and
- Clear about how “good performance” is defined (48 percent).

The USPTO employee responses indicated that the agency is doing well in other areas, they are:

- Well defined systems for linking customer feedback to action (56 percent - Increased 11 percent from 1998);
- Managers communicate organization mission, vision and values (68 percent - Increased 7 percent from 1998); and
- Managers and Unions work cooperatively (34 percent - Increased 17 percent from 1998).

The survey contained 32 items. Overall, USPTO registered an

improvement in 21 items with increases ranging from one percentage point to 29 percentage points.

Naturally the agency has room for improvement. It must continue to focus on improving employee and customer satisfaction. The primary area of focus this year will be on ensuring employees feel that their opinions count (39 percent favorable).

Government Executive Magazine Finds Marked Improvements

The agency's many efforts to improve customer and employee satisfaction received another boost when the March 2000 issue of Government Executive Magazine included a second review of the USPTO which praised the agency's improvements in 1999. The advancements the agency achieved since the magazine first reviewed USPTO in its February 1999 issue were highlighted in a piece entitled *Marked Improvements*, written by Brian Friel. The commentary emphasized the change and progress accomplished at the USPTO within the last 13 months especially in labor relations and financial and performance management.

Labor Relations

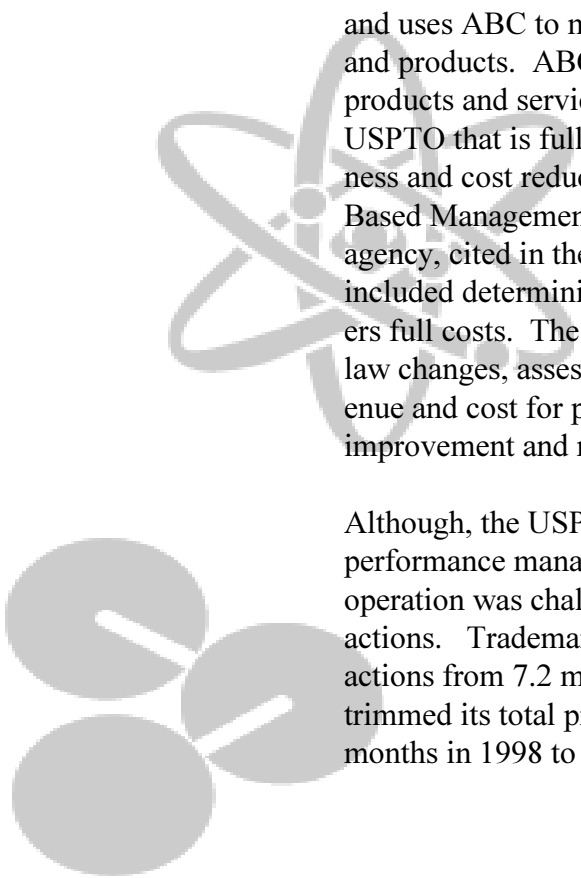
Friel wanted to know "How did Dickinson do it?" He found that Under Secretary Dickinson realized the importance of having a working relationship with each union, and he made that personal goal a high agency priority. He used face-to-face communications, contract advisors, and structured planning sessions to change the status quo. His efforts are recognized by all the key labor and management personnel. Friel cited other specific examples of achievement resulting from better labor relations:

- Reestablishment of the PTO Labor Management Partnership Council;
- Passage of PBO legislation; and
- Improved communications on the move to the new Alexandria campus.

USPTO employees also realize that Under Secretary Dickinson is very proactive with the labor organizations. It is evident that he encouraged different approaches and communicated his message of partnership throughout the management chain. The result is an active agenda with all three labor organizations.

Financial and Performance Management

The Government Executive Magazine article cites the PTO's activity based costing method as an area in which great strides have been made. The USPTO is one of the first federal entities which has implemented activity based costing (ABC) agency wide

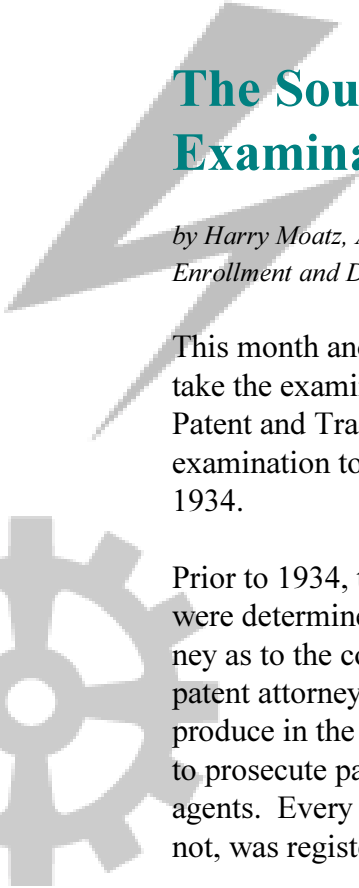


and uses ABC to make informed decisions on the costs of activities and products. ABC is a method of determining the true cost of products and services, which is important in an agency like the USPTO that is fully fee-funded. ABC will help with cost awareness and cost reduction as the USPTO moves toward Activity Based Management. An example of how ABC has benefited the agency, cited in the Government Executive magazine article, included determining and adjusting fees so that the USPTO recovers full costs. The USPTO also uses ABC to analyze the cost of law changes, assess the impact of fee alternatives, compare revenue and cost for products and services, and promote continuous improvement and reengineering, among other items.

Although, the USPTO has been a leader on the cutting edge of performance management for many years, last year the Trademark operation was challenged to reduce its time for processing first actions. Trademarks decrease the processing time for first office actions from 7.2 months to 4.5 months. The patent organization trimmed its total processing time for patent applications from 18.9 months in 1998 to 12.9 months in 1999.

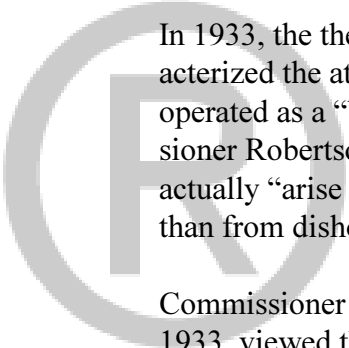
The Source of the Registration Examination

by Harry Moatz, Acting Director, Office of Enrollment and Discipline

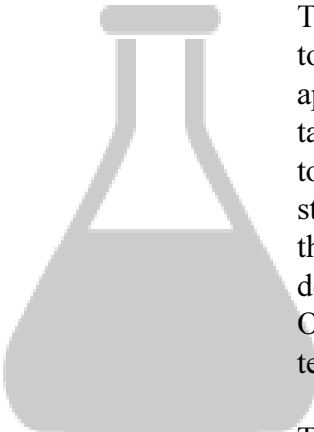


This month another group of patent attorneys and agents to be will take the examination to register to practice before the United States Patent and Trademark Office. The history of administering an examination to attorneys who wish to practice patent law begins in 1934.

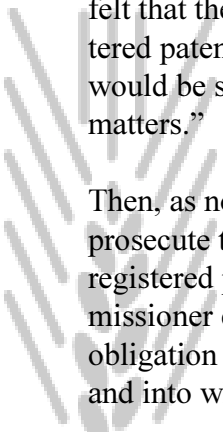
Prior to 1934, the qualifications of an applicant for registration were determined by accepting an affidavit from a registered attorney as to the competency of an applicant seeking registration as a patent attorney. Alternatively, the applicant was required to produce in the form of an affidavit several examples of their ability to prosecute patent applications. At that time, there were no patent agents. Every person registered until 1939, whether an attorney or not, was registered as a patent attorney.



In 1933, the then commissioner of patents, T. E. Robertson, characterized the atmosphere in which registered patent attorneys operated as a “bombard[ment]” of charges and criticisms. Commissioner Robertson commented that criticisms leveled at attorneys actually “arise out of the incompetence of the attorneys far more than from dishonesty.”




Commissioner Robertson, in a memorandum dated August 2, 1933, viewed the qualification system as perfunctory, and “certainly not sufficient to determine competence of the applicant.” The commissioner considered the affidavit showing “to be subject to the great weakness of friendship between attorneys and the applicant for registration.” Another cited weakness was the hesitance of an established attorney to “refuse to make an affidavit as to the competence of one of his employees who is ambitious and is striving to climb the ladder of success. The attitude seems to be that the applicant for registration is a good fellow and the affiants desire to help him along.” The commissioner said that the Patent Office “never seriously met its obligation to determine the competency of attorneys before entering them on the register.”



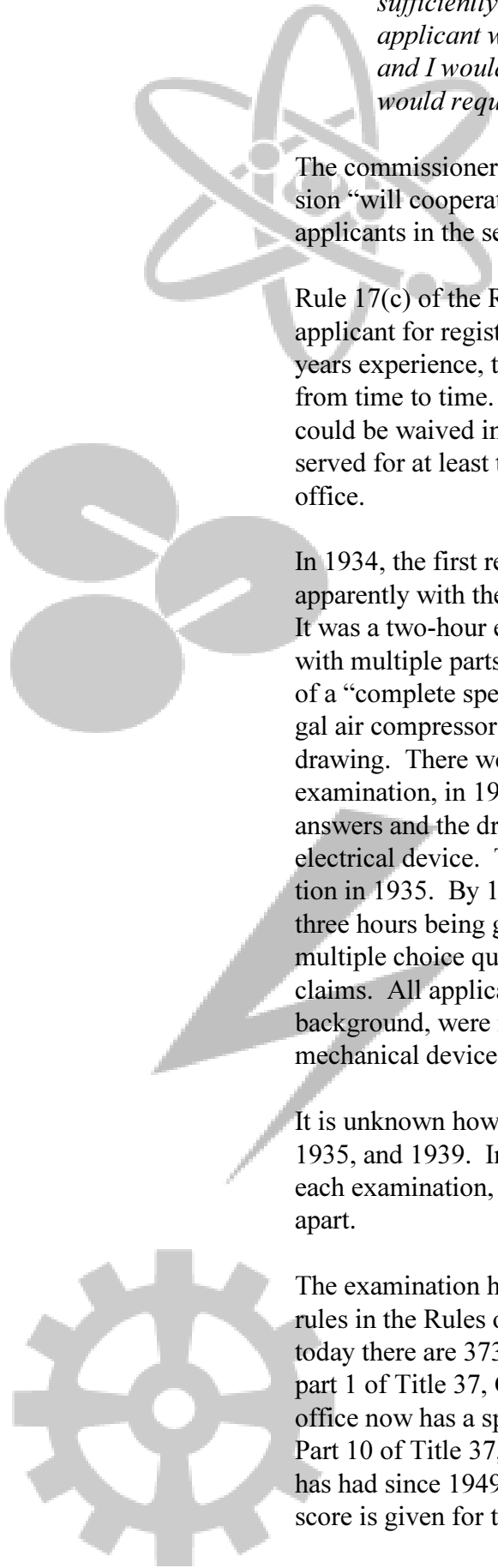
The commissioner concluded that the system for determining the qualifications of applicants for registration was not reliable. He felt that the criticisms could be avoided if the standard for registered patent attorneys was raised to a “point where an inventor would be sure of receiving sound and capable advice in patent matters.”

Then, as now, patent examiners urged inventors attempting to prosecute their own patent applications to seek the services of a registered patent attorney. Under those circumstances, the commissioner concluded that the office had a “very heavy duty and obligation to maintain the standard of those admitted to the register and into whose hands we place the inventors of the country.”



The commissioner proposed that a registration examination be established to determine the fitness of applicants before they are admitted to practice. The contemplated scope and complexity of the examination was described in the memorandum as follows:

“This examination should cover patent, design, and trade-mark law and procedure and a field of science at least comparable to that covered by the entrance examinations for Junior Examiners. I have made no attempt to work out the details of this examination but I should say in general that it be



sufficiently severe that the qualifications of the applicant would be determined without question, and I would estimate that an effective examination would require two or three days.”

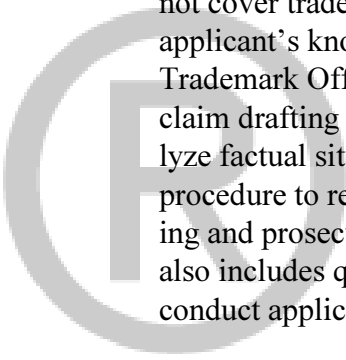
The commissioner advised that the Civil Service Commission “will cooperate with us in giving the examination to applicants in the several states.”

Rule 17(c) of the Rules of Practice was amended to require each applicant for registration, except examiners having at least three years experience, to take and pass an examination, which is held from time to time. The rule provided that taking of an examination could be waived in the case of any individual who has actively served for at least three years in the patent examining corps of the office.


In 1934, the first registration examination was administered, apparently with the cooperation of the Civil Service Commission. It was a two-hour examination that consisted of 10 questions (some with multiple parts) requiring short essay answers, and the drafting of a “complete specification and five claims” regarding a centrifugal air compressor based on a single page of facts and an attached drawing. There were no questions involving trademarks. The next examination, in 1935, also had 10 questions requiring short essay answers and the drafting of a specification and five claims to an electrical device. Two hours were given to complete the examination in 1935. By 1939, the entire examination was six hours, with three hours being given to answer eight essay questions and two multiple choice questions, and three hours afforded for writing five claims. All applicants, regardless of their scientific or engineering background, were required to draft claims regarding the same mechanical device.

It is unknown how many applicants took the examinations in 1934, 1935, and 1939. In the 1970s, approximately 350 applicants took each examination, which were given about six to nine months apart.

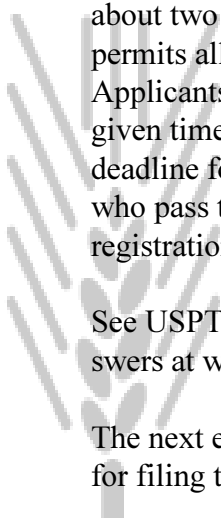
The examination has evolved over time. In 1935, there were 199 rules in the Rules of Practice (with few subsections), whereas today there are 373 rules (with numerous subsections) codified in part 1 of Title 37, Code of Federal Regulations. Unlike 1935, the office now has a specific Code of Professional Conduct codified in Part 10 of Title 37, Code of Federal Regulations. Also, the office has had since 1949 a Manual of Patent Examining Procedure. One score is given for the entire examination. The examination does



not cover trademark law. The examination is designed to test an applicant's knowledge of patent law and the U.S. Patent and Trademark Office rules, practice, and procedure; understanding of claim drafting and ability to properly draft claims; ability to analyze factual situations, and properly apply the rules, practice and procedure to render valuable service to patent applicants in preparing and prosecuting their patent applications. The examination also includes questions on addressing ethical and professional conduct applicable to registered practitioners.



Today, the examination is administered twice each year by the Office of Personnel Management in 37 cities around the country. Applicants are given six hours to complete the examination, three hours in a morning session and three hours in an afternoon session. About 2,000 applicants now apply for admission to each of the examinations. Due to disapproval of some applicants, e.g., for lack of a technical background, and withdrawal of many other applicants admitted to the examination, between 1,500 and 1,600 actually take the examination. Essay questions and written claim drafting are no longer employed. The entire examination consists of 100 multiple choice questions. Applicants record answers on an answer sheet that is electronically scanned to read the recorded answers. With the use of multiple choice objective questions, and electronic scanning of answers, the results generally are available about two months from when the examination is given. This permits all applicants to know their results in about two months. Applicants who do not pass the examination are so informed, and given time to file an application on or before an announced filing deadline for admission to the next examination. Also, applicants who pass the examination can begin promptly the final steps for registration.



See USPTO's Web page for samples of previous exams and answers at www.uspto.gov/web/offices/dcom/olia/oed.

The next exam is scheduled for October 18, 2000. The deadline for filing to take the exam is Friday, July 7, 2000.

Faces of the USPTO

Robert L. Stoll is the administrator for external relations. In that capacity he serves as the principal advisor to the under secretary of commerce and director of the USPTO on public policy matters related to intellectual property protection, including proposed legislation and international activities of the United States in this field. He also provides managerial oversight for the Office of



Legislative and International Affairs. One of his more sensitive responsibilities is to explain intellectual property issues to Congressional members and staff and to assist in crafting legislation that will be of most value to USPTO's customers. Stoll also shepherds international negotiations and consultations to improve intellectual property protection worldwide. "We're the best source of intellectual property knowledge," says Stoll, and he makes sure the office provides the best advice on intellectual property issues to support other federal agencies and domestic industries.

"It's an interesting and exciting time to be in this position. We've witnessed the passing of the most important patent legislation in my lifetime" said Stoll. Next steps will be to implement that legislation, join the Madrid Protocol, and work with the Administration and the Hill on keeping all of USPTO's user fees.

Stoll gives most credit to the OLIA staff, who are "unsurpassed in any setting." He believes their strength comes from the patent and trademark corps. "There is true talent here--they know the patent and trademark processes." He also praises the staff working on the copyright and enforcement issues as "the best in the country."

Stoll, himself, rose through the ranks from patent examiner, supervisory patent examiner, and executive assistant to the commissioner prior to his current position to which he was promoted in 1995.



Helpful Hints

for patent applicants

Obtaining a patent is a complex process that begins with filing your application with the United States Patent and Trademark Office. An application should be filed as soon as possible after the completion date of the invention. An invention is complete when the inventor can provide a description that would be adequate for one of ordinary skill in the art to make and use the invention. By law, an application must be filed within one year of the date that the invention is known, used by others, or offered for sale.

If your invention is still in the early developmental stage, and you are not yet ready to file an application, the USPTO offers a couple of choices.

Disclosure Document Program

The disclosure document is not an application for a patent, and it will not provide any patent protection for your invention. While the disclosure document is accepted as evidence of the date of conception of the invention, it will not provide the basis to establish an earlier filing date for any later filed patent application on your invention.

Provisional Applications

The provisional application only establishes the filing date and automatically becomes abandoned after one year. You may file a provisional application when you are not ready to enter your application into the regular examination process. A provisional application allows the term “patent pending” to be applied to the invention. Claims are not required in a provisional application. The USPTO does not examine a provisional application, and it cannot become a patent. You must submit the non-provisional application within one year of submitting your provisional application in order to possibly receive the benefit of the provisional application’s filing date. You do not have to file a provisional application before filing a non-provisional application.

An application for a design patent must be filed as a non-provisional application.

Please tell us what you think about USPTO TODAY

The following questionnaire will appear from time to time in PTO TODAY. Please take a few moments to respond to the questions and return them either by e-mail to ruth.nyblod@uspto.gov or by mail to Editor, PTO TODAY, U.S. Patent and Trademark Office, Office of Public Affairs, Washington, DC 20231.

1. What information, specifically, did you find most useful in this issue of PTO TODAY?
2. What additional content/information would be helpful to include in future issues?
3. Did you find the information timely?
 - yes
 - no
 - not sure
4. How satisfied are you with a monthly online publication?
 - very dissatisfied
 - dissatisfied
 - neither dissatisfied nor satisfied
 - satisfied
 - very satisfied
5. How often do you access PTO TODAY online?
 - 1-2x/month
 - almost never
 - never
6. Would you like to be/remain on our mailing list for future copies of PTO TODAY in print?
 - yes
 - no
 - not sure
7. Please select the category which best describes your role with the PTO.
 - independent inventor
 - corporate inventor
 - small business owner
 - attorney
 - agent
 - other

8. Is there someone else you know who should be receiving PTO
TODAY?

name
address
e-mail

Thank you for responding to our questionnaire.



**IP Conference of the Americas II:
Protecting Intellectual Property in the Digital Age**

September 2000

Washington, D.C.



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